How You May Spend Gambling Funds

Allowable expenses - Gambling funds may be spent for allowable expenses, such as:

- gambling equipment such as pull-tabs, bingo paper, bingo blower, paddlewheel tickets, tipboard games;
- · advertising;
- printing raffle tickets; or
- any services or goods that are directly related to the conduct of your gambling.

Charitable contributions - Gambling funds may be spent for the following charitable contributions (lawful purpose):

- to or by 501(c)(3) organization and 501(c)(4) festival organizations;
- relieving the effects of poverty, homelessness, or disability;
- problem gambling programs approved by the Minnesota Department of Human Services;
- public or private nonprofit school;
- scholarships. If a contribution is made to a scholarship fund, it must be made to a nonprofit organization whose primary mission is to award scholarships;
- church;
- recognition of military service (open to public) or active military personnel in need;
- activities and facilities benefiting youth under age 21;
- citizen monitoring of surface water quality, with data submitted to Minnesota PCA;
- unit of government (NOTE: A direct contribution to a law enforcement or prosecutorial agency is not allowed);
- wildlife management projects or activities that benefit the public-at-large, with DNR approval;
- grooming and maintaining snowmobile or all-terrain trails that are grant-in-aid trails, or other trails open to public use, with DNR approval;
- supplies and materials for DNR training and educational programs;
- nutritional programs, food shelves, and congregate dining programs primarily for persons who are 62 or older or disabled;
- community arts organizations or programs;
- humanitarian service recognizing volunteerism or philanthropy; and
- real property and capital assets (acquisition and repair) - contact the Gambling Control Board for requirements.

How You May Not Spend Gambling Funds

- 1. **Controlled contribution -** An organization may not retain any control over any contribution made from gambling funds.
 - The only exception is for expenditures \mathbf{by} a 501(c)(3) organization or 501(c)(4) festival organization to their general fund.
- Financial gain A contribution or expenditure may not be made if it results in any monetary, economic, financial, or material benefit to the organization making the contribution or expenditure.
- Government An expenditure may not be made for:
 - influencing the nomination or election of a candidate for public office;
 - promoting or defeating a ballot question; or
 - any activity intended to influence an election or a governmental decision-making process.
- Law enforcement A direct contribution may not be made to a law enforcement or prosecutorial agency.
- 5. **Pension** A contribution may not be made to a government pension or retirement fund, such as a fire relief association.
- 6. **Conflict of interest -** Any contribution or expenditure may not be made if it is not allowed under the conflict of interest provisions of the Minnesota Nonprofit Corporation Act, Minnesota Statutes, Section 317A.255.
- 7. **Alcohol** An expenditure may not be made for the purchase of any intoxicating liquor, wine, or malt beverages.
- 8. **Fundraising** An expenditure may not be made for fundraising costs, except as allowed for a 501(c)(3) organization or 501(c)(4) festival organization from its general fund.
- 9. **Other organizations** Gambling funds may not be contributed to other organizations or clubs such as veterans, fraternal, Lions, etc. unless they are a 501(c)(3) organization.
- 10. **Other contributions** A contribution may not be made to a 501(c)(3) organization or another entity with the intent or effect of not complying with lawful purpose restrictions or requirements.